

## Status of Mayor and City Council Referrals

### 2008-2009 Adopted Budget

Referral	Resolution
Measure Budget Reductions or Augmentations Against the Following Criteria: Impact on Essential Public Services; Adherence to Council-Approved Priorities; Relative Importance to Operational Efficiency; Effect on Fiscal Integrity and Flexibility; and Economic Impact and Jobs	As in the past, all budget reductions and augmentations were measured against the criteria set forth by the Mayor and City Council.
Develop a Budget that is Balanced Based upon the City's Current Forecast	The Adopted Budget included a budget plan in the General Fund that balanced a total shortfall of \$29.6 million, which was comprised of a \$23.36 million local projected General Fund shortfall and a Development Fee Program shortfall of \$6.3 million.
Set Aside Funds for Each Appointee's Office and the Mayor/City Council Offices Equal to the Average Non-Public Safety City Service Area Expenditure Reduction	A 6% reduction for 2008-2009, which was the average non-public safety CSA reduction, was applied to the Mayor, City Council, and Appointee Base Budgets and included in the Proposed Budget. In the Adopted Budget, however, positions in the Offices of the City Clerk and Independent Police Auditor were restored on a one-time basis, lowering the reductions in these offices below 6%.
Maximize Ongoing Reduction Strategies to Solve Future Deficits	In the Adopted Budget, 86% of the General Fund shortfall was balanced with ongoing solutions.
Require Personnel-Related Reductions be Ongoing Cuts to Overcome Future Deficit Projections	With the exception of two positions in the Attorney's Office, the 84 position reductions included in the Adopted Budget were ongoing.
Coordinate and Pursue Grant Opportunities to Support Programs in Priority Areas	Grant opportunities for priority areas continue to be actively explored.
Avoid Budget Cuts That Lose Grants or Prevent Leveraging of Other Resources	The Adopted Budget does not contain any reductions that would cause the City to lose grant funding or prevent leveraging funds from other sources.

## Status of Mayor and City Council Referrals (Cont'd.)

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Referral	Resolution
Include Council Appointees' Budget Reduction Proposals (Except IPA and RDA) Under the Strategic Support CSA and Budget Study Session Discussions	The Adopted Budget used the directed format.
Identify New Additions Within CSA's Departmental Proposals Rather Than the Base Budget	As in the past, the Adopted Budget incorporated this direction.
Apply Budget Reductions Level to Partner Community-based Organizations (CBOs) with General Fund Support Similar to Non-Public Safety CSAs	A 6% reduction for 2008-2009, which was the average non-public safety CSA reduction, was applied to the CBOs that receive General Fund support. Because the CBOs received a 2008-2009 Base Budget cost-of-living adjustment of 3.75%, the net reduction in the Adopted Budget is 2.25%.
Augment Economic Development Program – Increase or Redeploy Office of Economic Development Resources to Support and Pursue Development Activities that Ensure Accomplishment of City Council Directives and Economic Development Strategy Initiatives	The Adopted Budget included the addition of 2 Economic Development Program positions. One ongoing position will support industrial development and implement the retail strategy. A second one-time position will provide support for the advancement of Downtown initiatives.
Work2future – Identify an Approach to Support Workforce Training and Counseling Programs and Develop Long-term Strategy to Pursue Alternate Funding	The Annual Report for the work2future program will be presented to the Community and Economic Development Committee by October 2008. This report will include information on work2future's approach to support the workforce training and counseling services as well as the long-term strategy to pursue alternative funding sources.
BusinessOwnerSpace.com Program (BOS.com) – Provide Funding to Support the Implementation of the BusinessOwnerSpace.com Program that Serves the Needs of Small Businesses	Existing General Fund resources, combined with Workforce Investment Act (WIA) funds, will be allocated in 2008-2009 to help support this website. These funds will be used to build and test continuous quality improvement tools, translate the BOS into Spanish and Vietnamese, purchase web-based self assessment tools, and support website marketing.

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Referral	Resolution
Explore Potential Resource Allocation to Upgrade AMANDA Project Tracking System	The Adopted Budget included \$170,000 to upgrade the AMANDA system. This upgrade was funded by the Development Fee Programs.
Explore Allocating Resources to Prepare a City-Wide Historical Survey to Catalog Historic Landmarks and Develop Potential Preservation Criteria	The Adopted Budget included the addition of one Planner position that will be dedicated 50% to historic resources inventory coordination. This position will assist in the preparation of a city-wide historical survey. The Redevelopment Agency has also agreed to provide consultant funding for a historical inventory in the Downtown.
Review and Revise Job Specifications for Engineering Positions in Building Division and Fire Prevention Unit to Reflect Skills Needed to Support Development Permit Process	The Planning, Building and Code Enforcement and Fire Departments are working with the Human Resources Department to complete this evaluation and revise the job specifications for the engineering positions that support development activity.
Evaluate Current Marketing Efforts and Identify Best Practices and Possible Duplication of Efforts. The Evaluation Should Include: Global Fluency, Downtown Homeownership, Advertising Campaigns, and Funding to Chamber of Commerce, Downtown Association, Convention and Visitor Bureau and Other Organizations	An Informational Memorandum on the evaluation of marketing efforts being made on behalf of the City of San José will be brought forward in fall 2008.
Green Vision – Add Funding to Accelerate Achievement of the Ten Goals and Develop a Mechanism for the Public to Monitor the Progress and Achievements	The Adopted Budget included \$7.1 million to support Green Vision goals, of which \$1.1 million was in the General Fund. In the General Fund, a one-time allocation of \$900,000 was approved to advance Green Vision goals that require early investment for long-term success or are projected to have a significant return on investment. Approved investments include energy efficiencies projects for City facilities, energy audits and upgrade incentives for low-income rental units, matching grants to leverage awards from the Department of Energy's Solar America City Initiatives and CalFire's urban

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Energy Improvement District – Explore Renewable Energy Zones in Downtown, Airport, and North San José	<p>forest tree planting program, community outreach and engagement projects to advance key priorities for the Green Vision, Green Building Policy implementation and staff training, coordination of Green Vision across City operations, and green materials testing for trails and infrastructure. Other General Fund investments include Our City Forest matching funds and funding for a Green Building Program Planner. In other funds, additional resources were approved in the following areas: multi-family dwellings diversion program; construction and demolition recycling program; “zero waste” organic materials recovery; tree planting; green retrofit; Green Street project; and staffing for environmental and recycling programs at the Airport, city-wide urban forest management, and environmental sustainability.</p> <p>An analysis on the creation of renewable energy zones in Downtown, at the airport, and in North San José will be presented to the Transportation and Environment Committee by late fall 2008.</p>
Multi-Family Dwellings (MFD) Recycle Policy – Pursue an Expanded MFD Compostables Program that Would Not Burden Residents With Additional Recycling Requirements	<p>The Adopted Budget included ongoing funding of \$3.0 million to support increased recycling at MFDs by amending the Green Team agreement for recyclables and garbage collection. Garbage collected from MFDs will be processed at a waste processing facility to remove recyclables. Remaining material, consisting largely of food waste, will be composted.</p>
City-Council Initiated Neighborhood Improvement Reserve Fund – Hold \$1 Million of One-Time Funds in Reserve Fund for Neighborhood Improvements	<p>A Reserve for Neighborhood Improvements of \$1 million was set aside in the 2008-2009 Proposed Budget for City Council recommended improvements during the budget process. These funds were subsequently allocated in the Adopted Budget.</p>

## Status of Mayor and City Council Referrals (Cont'd.)

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Referral	Resolution
<p>Anti-Graffiti and Anti-Litter – Reinstate the Juvenile Offenders Referral Program, Explore Alternative Funding, Ensure Vacant Positions are Filled, and Partner with Council Offices to Recruit Volunteers for Quarterly Anti-Graffiti Clean-ups</p>	<p>The Adopted Budget included funding shifts for both the Anti-Graffiti Program (from the Community Development Block Grant Fund to the General Fund) and the Anti-Litter Program (from the Community Development Block Grant Fund to the Storm Sewer Operating Fund and the Integrated Waste Management Fund) to continue these programs at current levels. The Parks, Recreation and Neighborhood Services Department will fill vacant positions and partner with Council Offices to recruit volunteers for the quarterly anti-graffiti clean-ups. As discussed in Manager's Budget Addendum #18 issued as part of the 2008-2009 budget process, the City and County have agreed to reinstate the juvenile offender diversion program for graffiti.</p>
<p>Bringing Everyone's Strength's Together (BEST) Funding – Add \$1 Million in Ongoing Funds; Explore Partnering with District Attorney's Office to Leverage Funds to Continue the Community Prosecutor Program; Fund the Clean Slate Program (\$222,300); Explore Funding to Re-activate Mobile Recreation Unit</p>	<p>The Adopted Budget included an additional \$1 million in ongoing funds for this program. The Redevelopment Agency will increase its payment to the City for eligible capital projects to free up these funds for San José BEST. The Clean Slate Program (\$222,300) was approved to be funded from the additional \$1 million. The Parks, Recreation and Neighborhood Department will work with the Mayor's Gang Task Force to explore funding for the Mobile Recreation Unit and to leverage funds for the Community Prosecutor Program. The BEST funds will be allocated through the competitive process established for this Program.</p>
	<p>In addition, as part of the approval of the Mayor's June Budget Message, funding was added for the Summer Safety Initiative Pilot (\$243,000), the Community Responsibility Council and Transition Center (\$150,000), and the Mayor's Youth Gang Task Force Summit (\$25,000) to complement BEST activities.</p>

## Status of Mayor and City Council Referrals (Cont'd.)

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Referral	Resolution
Pilot Role Model Program – Allocate One-Time Funds of \$10,450 to this Program	The Adopted Budget added one-time funding of \$10,450 for the pilot Role Model Program.
Funding for 15 Additional Police Officers – Include Funding for 15 Additional Police Officers to Help Meet Identified Priorities, such as a Rise In Property Crimes, and to Improve Community Policing and Traffic Calming	<p>In the Proposed Budget, \$967,000 (\$671,000 in the General Fund) in 2008-2009 and \$1.8 million ongoing was included for 15 additional Police Officer positions and associated non-personal/equipment in the Police Department to meet identified priorities, including traffic calming, property crimes, and community policing. The Redevelopment Agency will increase its payment to the City for eligible capital projects by \$358,000 in 2008-2009 and by \$917,000 on an ongoing basis to help fund 8 of the 15 Police Officer positions.</p> <p>As part of the approval of the Mayor's June Budget Message, an additional 10 Police Officer positions were added in 2008-2009 at a General Fund cost of \$662,000 in 2008-2009 and \$1.2 million ongoing. As a result, a total of 25 Police Officer positions were added in 2008-2009. The total cost of these positions is \$1.6 million in 2008-2009 and \$2.9 million ongoing.</p>
Protecting Patrol Staff – Police Department's Patrol Services Should Not Be Reduced	No reductions to Patrol Services were brought forward in this budget.
Gang and Violent Crime Investigations – Minimize Reductions in Investigative Work in Critical Public Safety Areas such as Homicide and Gang Related Cases	No reductions to Investigative Services were brought forward in this budget.
Truancy Abatement and Burglary Suppression Program – Minimize Reductions to the Truancy Abatement and Burglary Suppression Program	No reduction to the Truancy Abatement Program was brought forward in this budget.
Public Safety Retirements and Employment Issues – Review Recruitment Resources to Address Vacancies Due to Retirements; Evaluate Potential of Re-hiring Retired Public Safety Employees	The Adopted Budget included one-time funding of \$75,000 to implement Public Safety recruitment and training strategy. These funds will be used to augment efforts currently underway. The Fire Department continues its outreach and recruitment efforts, anticipating a

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	<p>higher number of potential retirements over the next five years. To the extent possible, the Department is highly visible at career fairs and collaborating with internal and external parties to improve outreach and recruitment processes. Other potential opportunities in the future include educating high school and college students about career opportunities in the fire service. One-time funding from grants has been allocated to expand recruitment efforts in the Police Department. Recruiting qualified staff in a highly competitive market will be a challenge, as agencies throughout the State are experiencing high attrition levels and competing for the same pool of qualified candidates. The potential re-hiring of retired public safety employees will be explored through the Meet and Confer process.</p>
<p>Maximizing Use of Civilian Positions and Identifying Operational Efficiencies – Prepare an Updated Analysis on How to Maximize the Use of Civilian Positions to Aid Sworn Positions and Identify Areas to Increase Operational Efficiencies</p>	<p>An analysis on how to maximize the use of civilian positions to aide sworn positions and to identify areas where we can increase operational efficiencies will be brought forward to the Public Safety, Finance, and Strategic Support Committee in winter 2009. A portion of the \$350,000 approved for Optimization Studies in this budget may be allocated for this purpose. It should be noted, however, that the civilianization of sworn positions is subject to the Meet and Confer process.</p>
<p>Increasing Public Awareness of Resources – Launch a Campaign to Ensure Residents Know What Public Safety Resources are Available; Report to Public Safety, Finance, and Strategic Support Committee and Gang Prevention Task Force with Detailed Plan on Communication with all Neighborhoods</p>	<p>The Public Safety CSA, working with the Neighborhood Services CSA, will provide a communication plan on the public safety resources available to residents. The plan will be brought forward to the Public Safety, Finance, and Strategic Support Committee and the Gang Prevention Task Force in spring 2009. Furthermore, the Fire Department's strategy for becoming a "Heart Safe City" includes a communication plan, which contains information on training related to CPR and the</p>

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Referral	Resolution
Airport Pedestrian Safety – Explore Pedestrian Safety Improvements	<p>deployment and use of Automatic External Defibrillator (AED).</p> <p>The Adopted Budget included funding for three Parking and Traffic Control Officers (PTCOs) to increase pedestrian safety at Terminal C crosswalks. With the construction at the Airport, the shuttle bus stops have been relocated. To reach these bus stops, passengers must now cross four lanes of traffic. The addition of three PTCOs will increase the staff available for monitoring at Terminal C without reducing the staff that monitor crosswalks and curb enforcement at other locations. The Airport has also instituted other improvements, including the use of raised “tabletop” crosswalks to improve visibility and slow traffic in front of the terminals, and the use of fencing and fabric covering to deter access to crossing Terminal Drive between crosswalks. The Roadway Team continues to study the safe design of access routes to and through the Airport for pedestrian, vehicle, and bike traffic.</p>
School Area Parking Compliance – Consider Measures to Improve Safety and Traffic Flow in School Zones with Additional Parking and Traffic Officers and Reduction of Speed Limits Around Schools to 15 Miles Per Hour	<p>The Adopted Budget included the addition of two Parking and Traffic Control Officers to expand the school area parking compliance team. The Department of Transportation brought forward a report to the Transportation and Environment Committee in June 2008 on the implementation of a new State law that allows a reduced 15 miles per hour school zone speed limit under certain criteria. Clarification from the State on implementation of the new law is anticipated to be released by fall 2008.</p>
Crossing Guards – Review the Efficiency of the Program, Maintain Funding to the Greatest Extent Possible, and Review and Discuss Alternative Service Delivery Models	<p>No reduction to the crossing guard program was approved for 2008-2009. A review of alternative service delivery models will be brought forward to the Public Safety, Finance, and Strategic Support Committee in spring 2009. A portion of the \$350,000 approved for</p>



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Downtown Parking Garage Security – Continue Police Patrols in Downtown Parking Garages	<p>Optimization Studies is expected to be allocated to this area.</p> <p>The Adopted Budget included the addition of a Security Services Supervisor and ongoing funding to support enhanced security for the City's parking garages. The Police Department will patrol the City's parking garages on Friday and Saturday from 10 p.m. to 3 a.m., which will be funded through Downtown garage parking fees.</p>
Traffic Calming – Continue to Explore New Traffic Calming Technologies and Dedicate Some of the Additional Police Officers to Traffic Calming	<p>It is anticipated that a report on the feasibility of red light cameras will be brought forward to the Transportation and Environment Committee in October 2008. A portion of the additional Police Officer positions may support traffic calming efforts based on the allocation of patrol resources. Additionally, funding was added to purchase ten radar speed display trailers to help with traffic calming efforts.</p>
Elections Commission Audit – Reduce Scope of Elections Audit to the 2006 Election Cycle and Work Within Scope of City Council Referrals	<p>The audit report was completed and presented to the Elections Commission. The Elections Commission has accepted the report and will transmit it to the City Council to complete the referral.</p>
Technological Outreach – Work with Mayor's Office and Councilmember Oliverio to Explore Consulting with the Technology Community	<p>The Information Technology Department continues to work with the Mayor's Office, the Office of Economic Development, and Councilmember Oliverio to explore opportunities to consult with the technology community on emerging opportunities to improve service delivery and reduce costs through the use of technology. A report on these efforts will be brought forward to the Public Safety, Finance, and Strategic Support Committee in fall 2008.</p>
City Clerk Power of Appointment – Prepare a Charter Amendment to Authorize the City Clerk to Appoint Employees	<p>Given competing ballot measures, no charter amendment will be brought forward for consideration as part of the November 2008</p>

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Referral	Resolution
	election. However, the City Clerk and City Attorney may propose an Ordinance which would delegate the City Manager's appointing authority to the City Clerk for employees in the Office of the City Clerk as an interim measure.
City Clerk Office Staffing – Remain Cautious When Reviewing Reductions to this Office and Associated Impacts to this Office	The 2008-2009 Proposed Budget had included the elimination of an Administrative Manager position. Through the Mayor's June Budget Message, this position was reinstated through 2008-2009 only.
Prepayment of Annual Employer Retirement Contributions – Analyze Effective Prepayment Strategy and Report Back to the City Council	The Administration worked with the retirement boards to implement the prepayment of employer retirement contributions. The retirement boards approved this action in June 2008 for implementation in August 2008. The Adopted Budget assumed that a combination of this effort and the potential sale of pension obligation bonds would generate ongoing cost savings of at least \$1.5 million starting in 2009-2010. No savings had been assumed for 2008-2009 since the retirement boards had not yet approved the prepayment action when the budget was developed. Since this prepayment plan was approved for 11 months of 2008-2009, additional one-time funds may be available for allocation in 2008-2009.
Encumbrance Balance Monitoring – Support Increased Oversight of Budget Encumbrances and Create a Monitoring Policy for the Finance Department	The Adopted Budget included the continuation of a Senior Accountant position through 2008-2009 to identify and liquidate unexpended encumbrances that are no longer necessary. This position will also create a policy to ensure the timely liquidation of encumbrances that are no longer needed in the future. Savings generated from encumbrance liquidations are expected to cover the cost of the position.
Retirement Cost Savings – Apply Unanticipated Retirement Cost Savings to Fund GASB 43/45	The Adopted Budget included \$1.9 million in ongoing funding (\$1.5 million in the General Fund) to begin addressing the employer's share

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Referral	Resolution
Employee Suggestion Program – Bring Forward a Suggestion Program that Includes Councilmember and Employee Participation in the Evaluation of Ideas and Share a Portion of the Savings	of the unfunded liability associated with post-employment health benefits. The use of these funds will be incorporated into the overall strategy to address this significant unfunded liability. City staff is actively researching options to address this liability with stakeholders.
Funding Retiree Healthcare Studies/Issues – One-time Funding to Continue Outreach to Stakeholders and Research Alternatives to Mitigate the Unfunded Liability Related to Retiree Healthcare	A revitalized Employee Suggestion Program is under review by the Human Resources Department. This is one of the urgent strategies identified as part of the Three-Year General Fund Structural Deficit Elimination Plan to potentially be implemented over the next six to twelve months. The 2008-2009 Adopted Budget included ongoing funding of \$25,000 for the Employee Suggestion Program. One-time innovation funds of \$100,000 that were available in 2007-2008 were reallocated to 2008-2009 for this purpose.
Candidate Statements – Require City Council Candidates to Pay Cost of Candidate Statements in Ballot Books	The Adopted Budget included one-time funding of \$150,000 for these efforts.
Budget Outreach Funding – Fund Stakeholder Outreach, Development and Implementation of the Three-Year Structural Deficit Elimination Plan	The 2008-2009 Fees and Charges included a new fee that will recover the incremental cost of each candidate's statement in the sample ballot to partially offset election costs billed to the City by the Santa Clara County Registrar of Voters. These costs vary by district depending on the voter count, but are generally expected to total approximately \$2,000 per Council District candidate and approximately \$6,100 per Mayoral candidate.